

# **Chapter 27**

## **Understanding the Remittance Advice**



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## **GENERAL INFORMATION**

The *AHCCCS Fee-for-Service Remittance Advice* provides information about claims adjudicated by AHCCCS Fee for Service, including claims paid or voided and claims which were denied. The Remittance Advice is generated weekly. Paper Remittance Advice is mailed to the billing provider. If the billing provider has submitted claims for multiple service providers, the Remittance Advice will contain a section for each. This chapter primarily addresses the Paper Remittance Advice only, for information related to the HIPAA-compliant 835 transaction, please consult the Implementation Guide and/or Companion Document for the 835 transaction available on the AHCCCS Web site at [www.ahcccs.state.az.us](http://www.ahcccs.state.az.us).

## **835 REMITTANCE ADVICE**

Please note that the AHCCCS Companion Document is intended to supplement, but not replace, the Implementation Guide for the 835 transaction.

Providers who have completed the necessary registration and testing processes may download a HIPAA-compliant 835 electronic remittance advice for paid and denied claims from a secure AHCCCS Internet Web site and store the remittance in either electronic or hardcopy format on their internal systems.

To create an account and begin using AHCCCS Online, go to the AHCCCS Home Page at [www.ahcccs.state.az.us](http://www.ahcccs.state.az.us). Click on the Information for Providers link to go to the Providers page. A link on the Providers page allows providers to create a free AHCCCS Online account.

After creating an account, providers must download the trading partner agreement (TPA) and the Electronic Remittance Advice Manual. The TPA once completed, must be submitted to the AHCCCS Electronic Claims Submission (ECS) Unit. The ECS Unit will validate the TPA. After the TPA is validated, the provider must complete testing with AHCCCS prior to receiving a production 835. Testing requirements are also outlined in the Electronic Remittance Advice Manual.

Providers who have questions about this process may contact the ECS Unit at (602) 417-4706 or (602) 417-4892.

**Note:** The remaining information in this Chapter applies only the Paper Remittance Advice.

## **PAPER REMITTANCE ADVICE**

The AHCCCS paper remittance advice is broken up into two general packages or sections. The *Non-Facility Remittance Advice* section reports information related to services billed on the CMS 1500 and ADA 2002 claim forms, the *Facility Remittance Advice* section reports information related to services billed on the UB claim form. Providers may receive an Acute Remittance, a Long Term Care Remittance, a KidsCare Remittance or all three within a Remittance Advice package. The terms Acute, Long Term Care, and KidsCare designate the eligibility category of the recipients and do not refer to the type of provider.

A separate remittance is generated for claims adjudicated for recipients who receive behavioral health services through a regional behavioral health authority (RBHA) or a tribal behavioral health authority (TRBHA). This remittance is identical in format to the remittance generated for other types of recipients.

## REMITTANCE SECTIONS

Each Remittance Advice package is divided into seven sections:

- ☒ Paid claims
- ☒ Adjusted claims
- ☒ Denied claims
- ☒ Voided claims
- ☒ Claims in process
  - ✓ This section includes claims pending or reported on a previous Remittance and still in process.
- ☒ Processing Notes
  - ✓ The page provides an alphabetical listing of denial reason codes and pricing explanation codes.
  - ✓ Each is listed only once even if it applies to multiple claims.
- ☒ Grievance Process
  - ✓ This page informs providers of their grievance rights. (See Chapter 28, Grievances)



## **ADDRESS PAGE AND FINANCIAL SUMMARY**

The **Address Page** of the Remittance Advice (Exhibit 27-1) displays the billing provider's name, ID and pay-to mailing address, as well as the Invoice Date and Payment Date.

The **Financial Summary** page (Exhibit 27-2) reports check and invoice data. If all claims are in process or denied, the page will indicate "No Active Invoices."

Information reported on the Financial Summary page includes:

- ☒ BILLING PROVIDER ID number plus locator codes and name
- ☒ TAX ID of the billing provider.
- ☒ PAYMENT DATE is the check date.
- ☒ PAY FOR CATEGORY.
  - ✓ Acute, Long Term Care, and KidsCare totals (as applicable) are printed on separate lines.
- ☒ CHECK NUMBER.
  - ✓ Providers receive separate checks for each Pay For Category
- ☒ INVOICE DATE is the date the invoice was submitted for payment.
- ☒ INVOICE NUMBER links payments to the services that generated the payment.
- ☒ TYPE column will indicate "CR" if the provider has a credit.
- ☒ GROSS AMOUNT is the total remitted for each Pay For Category.
  - ✓ A negative total means no payment on this remittance.
  - ✓ Gross Amount and Net Amount are usually equal unless there is a credit memo (negative invoices or recouped claims).
- ☒ DISCOUNT is never used for AHCCCS fee-for-service providers.
- ☒ NET AMOUNT is the check amount for each Pay for Category.
  - ✓ If there are outstanding credit memos, this will show zero until enough approved claims are processed to offset the credit.

## NON-FACILITY PAID CLAIMS

The *Paid Claims* section for non-facility claims (Exhibit 27-3) displays the following data:

- ☒ INVOICE DATE is the date AHCCCS processed the claims for payment.
- ☒ BILLING PROVIDER ID number plus locator codes and name.
- ☒ SERVICE PROVIDER ID number plus locator codes and name.
- ☒ INVOICE NUMBER matches the number on the Financial Summary.
- ☒ CHECK NUMBER matches the number on the Financial Summary.
- ☒ PAYMENT DATE is the date of the reimbursement check.
- ☒ TAX ID of the billing provider.
- ☒ FORM TYPE will be 1500 or Dental.
- ☒ AHCCCS ID of the recipient.
- ☒ RECIPIENT is the ID number submitted on the claim.
- ☒ NAME of the recipient as recorded in the AHCCCS system.
- ☒ PATIENT ACCOUNT NUMBER is the number entered on the claim in the patient account number field.

The *Paid Claims* section for non-facility claims (Cont.):

- ☒ CRN is the AHCCCS Claim Reference Number that is unique to each claim and remains the same over the life of the claim.
- ☒ STATUS DATE is the most recent date the claim was adjudicated (attained “Paid” status).
- ☒ SERVICE CD/MODIFIER is the CPT/HCPCS procedure code submitted on the claim.
  - ✓ Any procedure modifier would be printed below the procedure code.
- ☒ DATES OF SERVICE displays the From and Through dates of service submitted on the claim.
  - ✓ If dates are the same, only one date is displayed.
- ☒ BILLED AMOUNT submitted on the claim.
- ☒ BILLED UNITS reflects the number of units submitted on the claim.
- ☒ ALLOWED UNITS reflects the AHCCCS allowed number of units.
- ☒ ALLOWED AMOUNT may be based on the AHCCCS capped fee, a provider specific rate, Medicare Coinsurance and Deductible, etc.



## **NON-FACILITY PAID CLAIMS (CONT.)**

- ☒ **NET PAID AMOUNT** is the **ALLOWED AMOUNT** minus any deductions.
- ☒ **PRICE EXPL** is the pricing explanation code.
  - ✓ Definitions are printed on the Processing Notes page.
  - ✓ An asterisk ( \* ) next to a code denotes how the **ALLOWED AMOUNT** was determined (e.g., MCC = Medicare Coinsurance, MAX = maximum allowed charge/capped fee, etc.).

The following summary is listed at the end of each Non-facility Paid Claims section:

- ☒ **NUMBER OF CLAIMS** is the total number of claims in the Paid Claims section.
- ☒ **TOTAL BILLED AMOUNT** for all claims in the Paid Claims section.
- ☒ **TOTAL REMIT AMOUNT** for all claims in the Paid Claims section.

## **NON-FACILITY DENIED CLAIMS**

The ***Denied Claims*** section for non-facility claims (Exhibit 27-4) displays much of the same data as the Paid Claims section.

Because no reimbursement is made to the provider, the **INVOICE DATE**, **INVOICE NUMBER**, **PAYMENT DATE**, and **CHECK NUMBER** fields are not displayed in the Denied Claims section.

The Denied Claim section adds a **REASON CDS** field that lists the denial reason code(s). The code definitions are printed on the Processing Notes page.

Providers should make note of the AHCCCS Claim Reference Number printed in the **CRN** field. This number must be referenced when the denied claim is resubmitted.

The following summary is listed at the end of each Non-facility Denied Claims section:

- ☒ **NUMBER OF CLAIMS** in the Denied Claims section.
- ☒ **TOTAL BILLED AMOUNT** for all claims in the Denied Claims section.

## NON-FACILITY ADJUSTED CLAIMS

The *Adjusted Claims* section for non-facility claims (Exhibit 27-5) displays much of the same data as the Paid Claims section.

The Adjusted Claims section adds a PREVIOUSLY PAID field that displays the previously paid amount as a negative number. The NET PAID AMOUNT is the difference between the new ALLOWED AMOUNT and the PREVIOUSLY PAID amount. The net paid amount could be negative if the adjusted Allowed Amount is less than the original Allowed Amount.

The AHCCCS Claim Reference Number displayed in the CRN field is the CRN of the original claim. The claim retains this number regardless of the number of times it is adjusted.

The following summary is listed at the end of each Non-facility Adjusted Claims section:

- ☒ NUMBER OF CLAIMS is the total number of claims in the Adjusted Claims section.
- ☒ TOTAL BILLED AMOUNT for all claims in the Adjusted Claims section.
- ☒ TOTAL REMIT AMOUNT for all claims in the Adjusted Claims section.

## NON-FACILITY VOIDED CLAIMS

The *Voided Claims* section for non-facility claims (Exhibit 27-6) displays much of the same data as the Paid Claims section:

The Voided Claims section will only display CHECK NUMBER and PAYMENT DATE fields if the paid and adjusted claims during the payment cycle total more than the amount being recouped as voids.

The AHCCCS Claim Reference Number displayed in the CRN field is the CRN of the original claim. The claim retains this number when it is voided.

The ALLOWED AMOUNT is displayed as a negative amount, and any previous deductions are “backed out” and displayed as a positive number. The NET PAID AMOUNT is a negative number showing the amount recouped.

The following summary is listed at the end of each Non-facility Voided Claims section:

- ☒ NUMBER OF CLAIMS in the Voided Claims section.
- ☒ TOTAL BILLED AMOUNT for all claims in the Voided Claims section.
- ☒ TOTAL RECOUPED AMOUNT for all claims in the Voided Claims section.





## **NON-FACILITY CLAIMS IN PROCESS**

The *Claims in Process* section (Exhibit 27-7) of the Remittance Advice for non-facility claims displays all claims that have not been adjudicated. The Claims in Process section displays much of the same data described previously.

The Claims in Process section does not display any payment or edit information because the claims have not been adjudicated.

Inquiries about a claim in process should reference the AHCCCS Claim Reference Number of the claim displayed in the CRN field.

The following summary is listed at the end of each Non-facility Claims in Process section:

- ☒ NUMBER OF CLAIMS is the total number of claims in process.
- ☒ TOTAL BILLED AMOUNT for all claims in process.

## **NON-FACILITY CLAIMS PROCESSING NOTES**

The *Processing Notes* (Exhibit 27-8) section displays the following data:

- ☒ BILLING PROVIDER ID number plus locator codes and name.
- ☒ NOTE is an alphabetical listing of processing codes (denial or void reason codes, pricing method codes, etc.).
  - ✓ Each code is listed only once even if applicable to multiple claims.
- ☒ TYPE lists the type of code.

M = Pricing Method

P = Pricing Type

R = Reason Code

T = Tier

X = Modifier

- ☒ DESCRIPTION is the description of a processing note code.

Example:

H199.4 R CLAIM RECEIVED PAST 6 MONTH LIMIT

## **FACILITY PAID CLAIMS/INPATIENT**

The *Paid Claims* section for inpatient facility claims (Exhibit 27-9) displays much of the same data displayed in the Paid Claims section for non-facility claims.

- ☒ The FORM TYPE will be Inpatient (includes inpatient hospital and nursing home).
- ☒ The PRICE EXPL field will display:
  - ✓ For hospital inpatient claims, tier(s) into which the claim was classified are displayed (e.g., MAT = Maternity tier).
  - ✓ For hospital claims, discount and penalty percentages also are displayed.
  - ✓ For nursing home claims, codes may indicate PDM (per diem) or MCC (Medicare Coinsurance).
- ☒ TIER DATA displays the inpatient tier classification(s), number of accommodation days billed, AHCCCS allowed days for tier(s), and reason codes for any disallowed and cutback days.
- ☒ BILLED UNITS reflects accommodation days for inpatient claims.
- ☒ ALLOWED UNITS reflects accommodation days for inpatient claims.

The following summary is at the end of each Paid Claims section:

- ☒ NUMBER OF CLAIMS, both inpatient and outpatient, in the section.
- ☒ TOTAL BILLED AMOUNT for all claims in the section.
- ☒ TOTAL REMIT AMOUNT for all claims in the section.

## FACILITY PAID CLAIMS/OUTPATIENT

The *Paid Claims* section for outpatient facility claims (Exhibit 27-10) displays much of the same data displayed in the Paid Claims section for non-facility claims.

- ☒ The FORM TYPE will be Outpatient (includes outpatient hospital, dialysis facilities, hospice, and birthing centers).

## FACILITY PAID CLAIMS/OUTPATIENT (CONT.)



- ☒ The PRICE EXPL field will display:
  - ✓ For hospital outpatient claims with dates of service prior to 7/1/2005 the facility's cost to charge ratio (CCO) is displayed, for claims with dates of service on or after 7/1/2005 the O/P fee schedule amount or default Cost to Charge Ratio applied to each claim line is displayed.
  - ✓ For hospital claims, discount and penalty percentages also are displayed at the claim level.
  - ✓ Definitions are printed on the Processing Notes page.
- ☒ BILLED UNITS reflects actual line billed units for each revenue code line for outpatient claims with dates of service on or after 7/1/2005. This field is not populated for outpatient UB claims with dates of service prior to 7/1/2005.
- ☒ ALLOWED UNITS reflects actual line allowed units for outpatient claims with dates of service on or after 7/1/2005. This field is not populated for outpatient UB claims with dates of service prior to 7/1/2005.

## **FACILITY DENIED CLAIMS**

The *Denied Claims* section for facility claims (Exhibit 27-11) displays much of the same data as the Paid Claims section.

Because no reimbursement is made to the provider, the INVOICE DATE, INVOICE NUMBER, PAYMENT DATE, and CHECK NUMBER fields are not displayed in the Denied Claims section.

The REASON CDS field lists the denial reason code(s). The code definitions are printed on the Processing Notes page.

Providers should make note of the AHCCCS Claim Reference Number printed in the CRN field. This number must be referenced when the denied claim is resubmitted.

The following summary is listed at the end of each Denied Claims section:

- ☒ NUMBER OF CLAIMS in the Denied Claims section.
- ☒ TOTAL BILLED AMOUNT for all claims in the Denied Claims section.

## **FACILITY ADJUSTED CLAIMS**

The *Adjusted Claims* section for facility claims (Exhibit 27-12) displays much of the same data as the Paid Claims section:

The PREVIOUSLY PAID field displays the previously paid amount as a negative number. The NET PAID AMOUNT is the difference between the new ALLOWED AMOUNT and the PREVIOUSLY PAID amount. The net paid amount could be negative if the adjusted Allowed Amount is less than the original Allowed Amount.

The AHCCCS Claim Reference Number displayed in the CRN field is the CRN of the original claim. The claim retains this number regardless of the number of times it is adjusted.

The following summary is listed at the end of the Adjusted Claims section:

- ☒ NUMBER OF CLAIMS, both inpatient and outpatient, in the section.
- ☒ TOTAL BILLED AMOUNT for all claims in the section.
- ☒ TOTAL REMIT AMOUNT for all claims in the section.

## FACILITY VOIDED CLAIMS

The *Voided Claims* section for non-facility claims (Exhibit 27-13) displays much of the same data as the Paid Claims section:

The Voided Claims section will only display CHECK NUMBER and PAYMENT DATE fields if the paid and adjusted claims during the payment cycle total more than amount being recouped as voids.

The AHCCCS Claim Reference Number displayed in the CRN field is the CRN of the original claim. The claim retains this number when it is voided.

The ALLOWED AMOUNT is displayed as a negative amount, and any previous deductions are “backed out” and displayed as a positive number. The NET PAID AMOUNT is a negative number showing the amount recouped.

The following summary is listed at the end of each Voided Claims section:

- ☒ NUMBER OF CLAIMS, both inpatient and outpatient, in the section.
- ☒ TOTAL BILLED AMOUNT for all claims in the section.
- ☒ TOTAL RECOUPED AMOUNT for all claims in the section.

## FACILITY CLAIMS IN PROCESS

The *Claims in Process* section (Exhibit 27-14) of the Remittance Advice for facility claims displays all claims that have not been adjudicated. The Claims in Process section displays much of the same data described previously:



The Claims in Process section does not display any payment or edit information because the claims have not been adjudicated.

Inquiries about a claim in process should reference the AHCCCS Claim Reference Number of the claim displayed in the CRN field.

The following summary is listed at the end of the Claims in Process section:

- ☒ NUMBER OF CLAIMS, both inpatient and outpatient, in process.
- ☒ TOTAL BILLED AMOUNT for all claims in process.

## **FACILITY CLAIMS PROCESSING NOTES**

The *Processing Notes* section for both Acute and Long Term Care claims displays the same type of information as does the Processing Notes section for non-facility claims (Exhibit 27-8).

## **WORKING THE REMITTANCE ADVICE**

Here are some suggestions for working the AHCCCS Remittance Advice to reconcile claims billed to the AHCCCS Administration and the status of those claims:

1. Review the Paid Claims section of the Remittance Advice to determine which claims have been paid and if those claims are paid correctly. Any errors, such as claims that have not paid the correct number of units, should be marked for resubmission, noting associated CRNs. (See Chapter 4, General Billing Rules, for information on resubmitting a paid claim.)
2. Review the Adjusted Claims section of the Remittance Advice. This section will report any claims submitted by the provider as adjustments because they were not paid correctly. If problems still exist with a claim, it may be submitted again. This section also will report any claims that were adjusted by AHCCCS as a result of an audit or review.
3. Review the Voided Claims section of the Remittance Advice. This section will report any claims submitted by the provider as void transactions. There are many reasons a claim may be voided. These may be claims that have been paid by other insurance and now need to be voided so that AHCCCS can recoup its payment. This section also will report any claims that were

## **WORKING THE REMITTANCE ADVICE (CONT.)**

voided by AHCCCS as a result of an audit or medical review recoupment. Providers who believe that a claim was voided in error should contact the AHCCCS Claims Customer Service Unit.

4. Review the Denied Claims section of the Remittance Advice. Review each denial reason and determine the action necessary to correct the claim. (See Chapter 4, General Billing Rules, for information on resubmitting a denied claim.)

Providers who have questions about the Remittance Advice or about resubmitting, adjusting, or voiding a claim should contact the AHCCCS Claims Customer Service Unit:

(602) 417-7670 (Phoenix Area)

(800) 794-6862 (In state)

(800) 523-0231 (Out of state)



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Exhibit 27-1

**SAMPLE REMITTANCE ADVICE – ADDRESS PAGE**

REPORT ID: FI04W400  
PROGRAM ID: FI04L400

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
REMITTANCE ADVICE - REMIT TO ADDRESS

PAGE: 1  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01

INVOICE DATE: 11/29/2003  
PAYMENT DATE: 12/02/2003

**Address page shows  
billing provider's name and  
Pay-To mailing address**

PROVIDER NAME  
STREET ADDRESS OR P.O. BOX  
ANYTOWN AZ  
99999

\*\* PLEASE CALL PROVIDER SERVICES FOR QUESTIONS OR CLARIFICATION ABOUT THE CONTENTS OF THIS PACKAGE \*\*  
\*\* PROVIDER SERVICES MAY BE REACHED AT (602) 417-7670 OR 1-800-794-6862 (IN-STATE) OR 1-800-523-0231 (OUR-OF-STATE) \*\*  
\*\* CLAIM STATUS & ELIGIBILITY CAN BE CHECKED ON THE AHCCCS WEB SITE BY GOING TO \*\*  
\*\* [WWW.AHCCCS.STATE.AZ.US](http://WWW.AHCCCS.STATE.AZ.US) AND CLICKING ON PLANS AND PROVIDERS \*\*

PLEASE RETAIN THIS COPY FOR YOUR RECORDS SINCE ONLY ONE COPY OF THE REMITTANCE ADVICE WILL BE SENT.  
IF ADDITIONAL COPIES ARE REQUESTED, THERE WILL BE A \$2.00 CHARGE PER PAGE.

Exhibit 27-2

SAMPLE REMITTANCE ADVICE – FINANCIAL SUMMARY

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
REMITTANCE ADVICE - FINANCIAL SUMMARY  
INVOICE DATE: 11/29/2003

PAGE: 2  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 PROVIDER NAME

TAX ID: 999999999  
PAYMENT DATE: 12/02/2003

PAY FOR CATEGORY	CHECK NUMBER	INVOICE DATE	INVOICE NUMBER	TYPE	GROSS AMOUNT	DISCOUNT	NET AMOUNT
ACUTE FEE-FOR-SERVICE	48746	11/29/2003	A0200000000001		1033.21	.00	1033.21
TOTALS					1033.21	.00	1033.21

- Financial Summary page provides summarized check and invoice information
- If provider had claims for Acute and Long Term Care recipients, LTC totals would be shown on a separate line below Acute totals
- Totals for KidsCare claims also would be shown on a separate line
- If all claims are in process or denied, Financial Summary page will indicate “No Active Invoices”
- Gross Amount and Net Amount (Check Amount) will be equal unless TYPE column shows “CR” indicating provider has a credit balance

Exhibit 27-3

SAMPLE REMITTANCE ADVICE – PAID NON-FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
NON-FACILITY REMITTANCE ADVICE - ACUTE  
PAID CLAIMS - INVOICE DATE: 11/29/2003

PAGE: 9  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 HOLLIDAY, DOC  
SERVICE PROVIDER: 654321 01 HOLLIDAY, DOC

INVOICE NUMBER: A9800000000001  
CHECK NUMBER: 48746  
PAYMENT DATE: 12/02/2003

TAX ID: 999999999  
FORM TYPE: FORM 1500

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN SCORE DATE	SERVICE CD/ MODIFIER	DATES OF SERVICE	BILLED AMOUNT BILLED UNITS	ALLOWED UNITS		
A12007007	BOND, JAMES	03310000100801	99223	10/09/2003	150.00	1.00	29.00	ALLOWED AMOUNT (*)
A12007007	007	11/26/2003			1.00		-----	
							29.00	NET PAID AMOUNT
PRICE EXPL:	SUB *MCC							
A12007007	BOND, JAMES	03310000103701	99233	10/10/2003	400.00	5.00	72.00	ALLOWED AMOUNT (*)
A12007007	007	11/26/2003		10/14/2003	5.00		-----	
							72.00	NET PAID AMOUNT
PRICE EXPL:	SUB *MCC							
A61743893	HOLMES, SHERLOCK	03310000100801	99233	10/09/2003	300.00	3.00	222.00	ALLOWED AMOUNT (*)
A61743893	12714-350493	11/26/2003		10/11/2003	3.00		-----	
							222.00	NET PAID AMOUNT
PRICE EXPL:	MAC *AHA							
A21742813	KURIYAKIN, ILYA	03310000100801	90828	10/24/2003	800.00	5.00	680.00	ALLOWED AMOUNT (*)
A21742813	12224-489133	11/26/2003		10/28/2003	5.00		270.00-	OTHER INSURANCE
							-----	
							410.00	NET PAID AMOUNT
PRICE EXPL:	SUB MAC *AHA							
A21742813	PEELE, EMMA	03310000100801	99233	10/24/2003	290.00	3.00	146.00	ALLOWED AMOUNT (*)
A21742813	12714-350493	11/26/2003		10/26/2003	3.00		-----	
							146.00	NET PAID AMOUNT
PRICE EXPL:	SUB *MCC *MCD							

NUMBER OF CLAIMS: 5  
TOTAL BILLED AMOUNT: 1,940.00  
TOTAL REMIT AMOUNT: 879.00

- PRICE EXPL(ation) codes are listed on Processing Notes page
- Asterisk (\*) before PRICE EXPL code shows how Allowed Amount was determined (e.g., MCC = Medicare Coinsurance, MCD = Medicare Deductible, AHA = AHCCCS Allowed)
- Allowed Amount is listed first, followed by any deductions (e.g., other insurance)
- Last page of Paid Claims section lists totals

# Exhibit 27-4

## SAMPLE REMITTANCE ADVICE – DENIED NON-FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
NON-FACILITY REMITTANCE ADVICE - ACUTE  
DENIED CLAIMS

PAGE: 11  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 HOLLIDAY, DOC  
SERVICE PROVIDER: 654321 01 HOLLIDAY, DOC

TAX ID: 999999999  
FORM TYPE: FORM 1500

AHCCCS ID	RECIPIENT	NAME	PATIENT ACCOUNT NBR	CRN	SERVICE CD/ MODIFIER	DATES OF SERVICE	BILLED AMOUNT	BILLED UNITS
A15116678	A15116678	BONNEY, WILLIAM	BTK96007	03310000102301	90828	10/22/2003	160.00	1.00
REASON CDS: H077.2								
A12003210	A12003210	CLANCY, IKE	96-007L	03310000100801	99245	10/17/2003	96.00	1.00
REASON CDS: H094.1 L017.1 L019.1								
A21110770	A21110770	EARP, WYATT	XYX96089	0331000020170	99233	10/02/2003	255.00	3.00
REASON CDS: L017.1 10/04/98								
A12345678	A12345678	JANE, CALAMITY	ABC96027	03310000100801	99223	10/12/2003	150.00	1.00
REASON CDS: L019.1								
A12345678	A12345678	JANE, CALAMITY	ABC96027	03310000100802	99233	10/13/2003	85.00	1.00
REASON CDS: L019.1								
A12007007	A12007007	BOND, JAMES	XYX96033	03310000100801	99233	10/15/2003	85.00	1.00
REASON CDS: H094.1								

- Explanations of denial REASON CDS are listed on Processing Notes page
- Multiple denial reasons can be reported
- Last page of Denied Claims section lists totals

NUMBER OF CLAIMS: 6  
TOTAL BILLED AMOUNT: 831.00

Exhibit 27-5

SAMPLE REMITTANCE ADVICE – ADJUSTED NON-FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
NON-FACILITY REMITTANCE ADVICE - ACUTE  
ADJUSTED CLAIMS - INVOICE DATE: 11/29/2003

PAGE: 12  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 HOLLIDAY, DOC  
SERVICE PROVIDER: 654321 01 HOLLIDAY, DOC

INVOICE NUMBER: A0200000000001  
CHECK NUMBER: 48746  
PAYMENT DATE: 12/02/2003

TAX ID: 999999999  
FORM TYPE: FORM 1500

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN SCORE DATE	SERVICE CD/ MODIFIER	DATES OF SERVICE	BILLED AMOUNT BILLED UNITS	ALLOWED UNITS		
A61743893	HOLMES, SHERLOCK	03310000100801	99233	10/09/2003	300.00	3.00	222.00	ALLOWED AMOUNT(*)
A61743893	12714-350493	11/26/2003		10/11/2003	3.00		148.00-	PREVIOUSLY PAID
							74.00	NET PAID AMOUNT
PRICE EXPL: MAC *AHA								
A21742813	KURIYAKIN, ILYA	03310000100801	90828	10/24/2003	800.00	5.00	680.00	ALLOWED AMOUNT(*)
A21742813	12224-489133	11/26/2003		10/28/2003	5.00		544.00-	PREVIOUSLY PAID
							136.00	NET PAID AMOUNT
PRICE EXPL: SUB MAC *AHA								
A21742813	PEELE, EMMA	03310000100801	99233	10/24/2003	290.00	3.00	146.00	ALLOWED AMOUNT(*)
A21742813	12714-350493	11/26/2003		10/26/2003	3.00		190.00-	PREVIOUSLY PAID
							44.00-	NET PAID AMOUNT
PRICE EXPL: SUB *MCC *MCD								

NUMBER OF CLAIMS: 3  
TOTAL BILLED AMOUNT: 1,390.00  
TOTAL REMIT AMOUNT: 166.00

- New Allowed Amount is listed first
- Previously Paid Amount is “backed out” as negative
- Net Paid Amount shows the difference
- Net Paid Amount will be negative if the adjusted Allowed Amount is less than the original Allowed Amount
- Last page of Adjusted Claims section lists totals

Exhibit 27-6

SAMPLE REMITTANCE ADVICE – VOIDED NON-FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
NON-FACILITY REMITTANCE ADVICE - ACUTE  
VOIDED CLAIMS - INVOICE DATE: 11/29/2003

PAGE: 13  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 HOLLIDAY, DOC  
SERVICE PROVIDER: 654321 01 HOLLIDAY, DOC

INVOICE NUMBER: A9800000000001  
CHECK NUMBER: 48746  
PAYMENT DATE: 12/02/2003

TAX ID: 999999999  
FORM TYPE: FORM 1500

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN SCORE DATE	SERVICE CD/ MODIFIER	DATES OF SERVICE	BILLED AMOUNT BILLED UNITS	ALLOWED UNITS		
A12007007	BOND, JAMES	03310000100801	99223	10/09/2003	150.00	1.00	29.00-	ALLOWED AMOUNT(*)
A12007007	007	11/26/2003				1.00	-----	
							29.00-	NET PAID AMOUNT
PRICE EXPL: SUB *MCC								
A12007007	BOND, JAMES	03310000103701	99233	10/10/2003	400.00	5.00	72.00-	ALLOWED AMOUNT(*)
A12007007	007	11/26/2003		10/14/2003	5.00		-----	
							72.00-	NET PAID AMOUNT
PRICE EXPL: SUB *MCC								

- New Allowed Amount is listed first as a negative
- Any previous deductions would be “backed out” as positive
- Net Paid Amount shows amount recouped
- Last page of Voided Claims section lists totals

NUMBER OF CLAIMS: 2  
TOTAL BILLED AMOUNT: 550.00  
TOTAL RECOUPED AMOUNT: 101.00

Exhibit 27-7

SAMPLE REMITTANCE ADVICE –NON-FACILITY CLAIMS IN PROCESS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
NON-FACILITY REMITTANCE ADVICE - ACUTE  
CLAIMS IN PROCESS

PAGE: 14  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 HOLLIDAY, DOC  
SERVICE PROVIDER: 654321 01 HOLLIDAY, DOC

TAX ID: 999999999  
FORM TYPE: FORM 1500

AHCCCS ID	RECIPIENT	NAME	PATIENT ACCOUNT NBR	CRN	SERVICE CD/ MODIFIER	DATES OF SERVICE	BILLED AMOUNT	BILLED UNITS
A15116678	A15116678	BONNEY, WILLIAM	BTK96007	03310000102301	90828	10/22/2003	160.00	1.00
A12003210	A12003210	CLANCY, IKE	96-007L	03310000100801	99245	10/17/2003	96.00	1.00
A21110770	A21110770	EARP, WYATT	XYX96089	0331000020170	99233	10/02/2003	255.00	3.00
A12345678	A12345678	JANE, CALAMITY	ABC96027	03310000100801	99223	10/12/2003	150.00	1.00
A12345678	A12345678	JANE, CALAMITY	ABC96027	03310000100802	99233	10/13/2003	85.00	1.00
A12007007	A12007007	BOND, JAMES	XYX96033	03310000100801	99233	10/15/2003	85.00	1.00

- There is no SCORE DATE field because claims have not reached adjudicated status of Paid, Denied, Adjusted, or Voided
- Section includes claims reported as in process in previous Remittances
- Last page of Claims In Process section lists totals

NUMBER OF CLAIMS: 6  
TOTAL BILLED AMOUNT: 831.00

## Exhibit 27-8

# SAMPLE REMITTANCE ADVICE – PROCESSING NOTES

REPORT ID: FI04W400  
PROGRAM ID: FI04L400

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
REMITTANCE ADVICE - PROCESSING NOTES

PAGE: 15  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 HOLLIDAY, DOC

TAX ID: 999999999  
FORM TYPE: FORM 1500

NOTE	TYPE	DESCRIPTION
----	----	-----
		** PLEASE CALL PROVIDER SERVICES FOR FURTHER EXPLANATION OF ANY DESCRIPTION **
		** PROVIDER SERVICES MAY BE REACHED AT (602) 417-7670 OR 1-800-794-6862 (IN-STATE) OR 1-800-523-0231 (OUT-OF-STATE) **
AHA	P	AHCCCS ALLOWED AMOUNT
H077.2	R	SERVICE PROVIDER LOCATION CODE IS INVALID
H094.1	R	PRIMARY DIAGNOSIS CODE FIELD IS NOT ON FILE
H140.3	R	PRIMARY DIAGNOSIS CODE NOT COVERED FOR CONTRACT TYPE
L017.1	R	PLACE OF SERVICE CODE IS MISSING
L019.1	R	DIAGNOSIS REFERENCE CODE 1 IS MISSING
L067.1	R	RECIPIENT HAS PART B; MEDICARE DATA MUST BE INDICATED, IS MISSING
MAX	M	MAXIMUM ALLOWED CHARGE/CAPPED FEE
MCC	T	MEDICARE COINSURANCE
MCD	T	MEDICARE DEDUCTIBLE
PDM	M	PER DIEM
SUB	M	SUBMITTED AMOUNT FROM CLAIM

- Remittance Advice Processing Notes is last section in package
- Alphabetical listing of processing note code descriptions (denial reasons, pricing methods, etc.)
- Each code listed only once even if applicable to multiple claims

NOTE TYPES: M = PRICING METHOD, P = PRICING TYPE, R = REASON CODE, T = TIER, X = MODIFIER



Exhibit 27-9

# SAMPLE REMITTANCE ADVICE – PAID FACILITY INPATIENT CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
FACILITY REMITTANCE ADVICE - ACUTE  
PAID CLAIMS - INVOICE DATE: 11/29/2003

PAGE: 3  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 ARIZONA HOSPITAL  
SERVICE PROVIDER: 654321 01 ARIZONA HOSPITAL

INVOICE NUMBER: A0200000000001  
CHECK NUMBER: 48746  
PAYMENT DATE: 12/02/2003

TAX ID: 999999999  
FORM TYPE: INPATIENT

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN STATUS DATE	DATES OF SERVICE	BILLED AMOUNT BILLED UNITS	ALLOWED UNITS		
A12345678	OAKLEY, ANNIE	033100001001	10/20/2003	760.00	1.00	760.00	ALLOWED AMOUNT (*)
A12345678	O011617768-1	11/26/2003	10/21/2003	1.00		-----	
						760.00	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							
A87654321	JANE, CALAMITY	033100002003	10/25/2003	1,520.00	2.00	1,520.00	ALLOWED AMOUNT (*)
A87654321	J4176027943-1	11/26/2003	10/27/2003	2.00		-----	
						1,520.00	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							
A18273645	EARP, WYATT	033100003003	10/19/2003	760.00	3.00	2,280.00	ALLOWED AMOUNT (*)
A18273645	E0116543257-2	11/26/2003	10/22/2003	3.00		-----	
						2,280.00	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							
A11223344	YOUNGER, COLE	033100004004	10/21/2003	2,280.00	1.00	760.00	ALLOWED AMOUNT (*)
A11223344	Y0227188796-1	11/26/2003	10/22/2003	3.00		-----	
						760.00	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							
A43218765	CRAWFORD, KATY	033100005005	10/23/2003	6,080.00	8.00	6,080.00	ALLOWED AMOUNT (*)
A43218765	C5522613008-1	11/26/2003	10/31/2003	8.00		-----	
						6,080.00	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							
A18273645	JAMES, JESSE	033100006006	10/28/2003	1,520.00	2.00	1,520.00	ALLOWED AMOUNT (*)
A18273645	J7158700699-1	11/26/2003	10/30/2003	2.00		-----	
						1,520.00	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							

- PRICE EXPL(anation) codes are listed on Processing Notes page
- Asterisk (\*) before PRICE EXPL code shows how Allowed Amount was determined (e.g., AHA = AHCCCS Allowed, PDM = Per Diem)

Exhibit 27-10

SAMPLE REMITTANCE ADVICE – PAID FACILITY OUTPATIENT CLAIMS

REPORT ID: FI04W400-1  
PROGRAM ID: FI04L400

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
FACILITY REMITTANCE ADVICE - FEE FOR SERVICE  
PAID CLAIMS - INVOICE DATE: 04/23/2005

PAGE: 3  
RUN: 04/26/2005

BILLING PROVIDER: 991353 01 SAGE MEMORIAL HOSPITAL  
SERVICE PROVIDER: 991353 SAGE MEMORIAL HOSPITAL

INVOICE NUMBER: B9999402135301  
CHECK NUMBER: 19584  
PAYMENT DATE: 04/27/2005

TAX ID: 999314364  
FORM TYPE: OUTPATIENT

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN STATUS DATE	DATES OF SERVICE/ SERVICE	BILLED AMOUNT	BILLED UNITS	ALLOWED UNITS	ALLOWED AMOUNT	PRICE EXPL
XXX980030	BEGAY, ALVIN H	YY111600007900	04/14/2005					
XXX980030	VV65753441	04/21/2005	04/14/2005					
		YY111600007901	300 36415	13.00	1.0	1.0	7.53	XXX XXX XXX XXX XXX
		YY111600007902	305 85025	58.00	1.0	1.0	33.61	XXX XXX XXX XXX XXX

-----  
SUBTOTALS: NUMBER OF LINES PER CLAIM: 2 +/- 0.41 DISCOUNT/PENALTY  
OVERALL  
TOTAL BILLED AMOUNT: 71.00  
TOTAL REMIT AMOUNT: 40.73 ----- 40.73 NET PAID AMOUNT  
-----

GRAND TOTALS: NUMBER OF CLAIMS: 1  
TOTAL BILLED AMOUNT: 71.00  
TOTAL REMIT AMOUNT: 40.73

- PRICE EXPL(anation) codes are listed on Processing Notes page

# Exhibit 27-11

## SAMPLE REMITTANCE ADVICE – DENIED FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
FACILITY REMITTANCE ADVICE - ACUTE  
DENIED CLAIMS

PAGE: 5  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 ARIZONA HOSPITAL  
SERVICE PROVIDER: 654321 01 ARIZONA HOSPITAL

TAX ID: 999999999  
FORM TYPE: OUTPATIENT

AHCCCS ID	RECIPIENT	NAME	PATIENT ACCOUNT NBR	CRN	DATES OF SERVICE		BILLED AMOUNT	BILLED UNITS
A17520033	A17520033	DOS PASSOS, JOHN	147A321	033100050001	10/24/2003	10/26/2003	1,520.00	2.00
REASON CDS: H154.3								
A17650082	A17650082	HAWTHORNE, NATHANIEL	148C123	033100010113	10/29/2003	10/30/2003	760.00	1.00
REASON CDS: H140.3 H141.3 H142.3								
A17050080	A17050080	HEMINGWAY, ERNEST	168B456	033100010212	10/01/2003	10/02/2003	760.00	1.00
REASON CDS: L027.1								
A17030074	A17030074	IRVING, WASHINGTON	148D789	033100010212	10/23/2003	10/26/2003	2,280.00	3.00
REASON CDS: L027.1								
525465421	525465421	STEIN, GERTRUDE	150L654	033100777763	10/04/2003	10/06/2003	1,520.00	2.00
REASON CDS: H082.3								

- Explanations of denial REASON CDS are listed on Processing Notes page
- Multiple denial reasons can be reported
- Last page of Denied Claims section lists totals for inpatient and outpatient claims

NUMBER OF CLAIMS: 5  
TOTAL BILLED AMOUNT: 6,840.00

# Exhibit 27-12

## SAMPLE REMITTANCE ADVICE – ADJUSTED FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
FACILITY REMITTANCE ADVICE - ACUTE  
ADJUSTED CLAIMS - INVOICE DATE: 11/29/2003

PAGE: 6  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 ARIZONA HOSPITAL  
SERVICE PROVIDER: 654321 01 ARIZONA HOSPITAL

INVOICE NUMBER: A9800000000001  
CHECK NUMBER: 48746  
PAYMENT DATE: 12/02/2003

TAX ID: 999999999  
FORM TYPE: INPATIENT

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN STATUS DATE	DATES OF SERVICE	BILLED AMOUNT BILLED UNITS	ALLOWED UNITS		
A12345678	OAKLEY, ANNIE	033100001001	10/20/2003	2,280.00	3.00	2,280.00	ALLOWED AMOUNT (*)
A12345678	0011617768-1	11/26/2003	10/23/2003	3.00		760.00-	PREVIOUSLY PAID
PRICE EXPL: PDM *AHA						1,520.00	NET PAID AMOUNT
A87654321	JANE, CALAMITY	033100001001	10/26/2003	2,280.00	2.00	1,520.00	ALLOWED AMOUNT (*)
A87654321	J4176027943-1	11/26/2003	10/29/2003	3.00		2,280.00-	PREVIOUSLY PAID
PRICE EXPL: PDM *AHA						760.00-	NET PAID AMOUNT

- New Allowed Amount is listed first
- Previously Paid Amount is “backed out” as negative
- Net Paid Amount shows the difference
- Net Paid Amount will be negative if the adjusted Allowed Amount is less than the original Allowed Amount
- Last page of Adjusted Claims section lists totals for

NUMBER OF CLAIMS: 2  
TOTAL BILLED AMOUNT: 4,560.00  
TOTAL REMIT AMOUNT: 760.00

# Exhibit 27-13

## SAMPLE REMITTANCE ADVICE – VOIDED FACILITY CLAIMS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
FACILITY REMITTANCE ADVICE - ACUTE  
VOIDED CLAIMS - INVOICE DATE: 11/29/2003

PAGE: 7  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 ARIZONA HOSPITAL  
SERVICE PROVIDER: 654321 01 ARIZONA HOSPITAL

INVOICE NUMBER: A9800000000001  
CHECK NUMBER: 48746  
PAYMENT DATE: 12/02/2003

TAX ID: 999999999  
FORM TYPE: INPATIENT

AHCCCS ID RECIPIENT	NAME PATIENT ACCOUNT NUMBER	CRN STATUS DATE	DATES OF SERVICE	BILLED AMOUNT BILLED UNITS	ALLOWED UNITS		
A12345678	OAKLEY, ANNIE	033100001001	10/20/2003	760.00	1.00	760.00-	ALLOWED AMOUNT (*)
A12345678	0011617768-1	11/26/2003	10/21/2003	1.00		-----	
						760.00-	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							
A87654321	JANE, CALAMITY	033100002003	10/25/2003	1,520.00	2.00	1,520.00-	ALLOWED AMOUNT (*)
A87654321	J4176027943-1	11/26/2003	10/27/2003	2.00		-----	
						1,520.00-	NET PAID AMOUNT
PRICE EXPL: PDM *AHA							

- New Allowed Amount is listed first as a negative
- Any previous deductions would be “backed out” as positive
- Net Paid Amount shows amount recouped
- Last page of Voided Claims section lists totals for inpatient and outpatient claims

NUMBER OF CLAIMS: 2  
TOTAL BILLED AMOUNT: 2,280.00  
TOTAL RECOUPED AMOUNT: 2,280.00

Exhibit 27-14

SAMPLE REMITTANCE ADVICE –FACILITY CLAIMS IN PROCESS

REPORT ID: FI04W400  
PROGRAM ID: FI04L400  
001549

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
FACILITY REMITTANCE ADVICE - ACUTE  
CLAIMS IN PROCESS

PAGE: 5  
RUN: 11/29/2003

BILLING PROVIDER: 654321 01 ARIZONA HOSPITAL  
SERVICE PROVIDER: 654321 01 ARIZONA HOSPITAL

TAX ID: 999999999  
FORM TYPE: INPATIENT

AHCCCS ID	RECIPIENT	NAME	PATIENT ACCOUNT NBR	CRN	DATES OF SERVICE	BILLED AMOUNT	BILLED UNITS
A17520033	A17520033	COBB, TYRUS RAYMOND	147A321	033100050001	10/24/2003 10/26/2003	1,520.00	2.00
A17650082	A17650082	GEHRIG, LOUIS	148C123	033100010113	10/29/2003 10/30/2003	760.00	1.00
A17050080	A17050080	RUTH, GEORGE HERMAN	168B456	033100010212	10/01/2003 10/02/2003	760.00	1.00
A17030074	A17030074	WILSON, HACK	148D789	033100010219	10/23/2003 10/26/2003	2,280.00	3.00

- There is no STATUS DATE field because claims have not reached adjudicated status of Paid, Denied, Adjusted, or Voided
- Section includes claims reported as in process on previous Remittances
- Last page of Claims In Process section lists totals for inpatient and outpatient claims

NUMBER OF CLAIMS: 4  
TOTAL BILLED AMOUNT: 5,320.00